Declassified in Part - Sanitized Copy Approved for Release 2011/12/21 : CIA-RDP90-00965R000706110019-0

STAT

ARTICLE APPEARED
ON PAGE A3

NEW YORK TIMES
26 February 1986

Reagan Asks $100 Million for Contras

By DAVID K. SHIPLER
Special to The New York Times

WASHINGTON, Feb. 25 — President Reagan asked Congress today to authorize the use of $100 million in Defense Department funds to provide military as well as nonlethal aid to the rebels seeking the overthrow of the Nicaraguan Government.

Under the request, which is expected to face strong opposition in the Democratic-controlled House of Representatives, $70 million would go for weapons and $30 million for what the Administration calls humanitarian aid, such as food and medical supplies.

No new money would be appropriated. Instead, Mr. Reagan explained in his message, the funds would be transferred from the existing Pentagon budget and would be used to finance the contras — as the rebels are called — for 18 months beginning March 31, when the current appropriation of $27 million in nonlethal aid runs out.

That restricted financing has frustrated Administration officials, who want to see an all-out military effort to press the Nicaraguan Government to introduce democratic changes in their rule and halt what the White House has characterized as the "subversion" of neighboring Central American democracies.

Food and Boots and Bandages

"We're giving them food and boots and bandages," a senior Administration official said of the Nicaraguan rebels today, briefing reporters at the White House. "And you cannot fight Soviet helicopter gunships flown by Cubans with food and boots and bandages." His statement echoed almost word for word remarks made by President Reagan last week.

Under the terms imposed by Congress, the current financing may include no military aid, and the money must not be channeled through either the Defense Department or the Central Intelligence Agency. President Reagan's proposal would permit him to use any government agency to distribute the funds.

"Few now question that the rulers of Nicaragua are deeply committed Communists, determined to consolidate their totalitarian Communist state," Mr. Reagan declared in his message to Congress. "Their long, documented record of brutal repression leaves no room for doubt. Nor can there be any dispute that they seek to export their ideology through terrorism and subversion to neighboring countries."

Although the Reagan Administration often refers to the Nicaraguan Government as Marxist, Sandinista leaders say their ideology is based only partly on Marxism. They say it is also a product of their country's history of conflict with the United States, which sent troops to occupy Nicaragua early in this century and later supported the long rule of the deposed Somoza family. Leaders say their Government permits a measure of political pluralism, accepts a concept of a mixed economy and practices nonalignment in world affairs.

Many Rights Curtailed

Under provisions of various emergency decrees imposed in recent years, many legal and civil rights have been curtailed in Nicaragua. But a number of businesses remain in private hands, an opposition newspaper continues to publish despite censorship and critics continue to attack the Government. A number of anti-Sandinista political parties exist, though activists often complain of being persecuted.

The proposed financing appeared to have a chance of passage in the Republican-controlled Senate, where the Foreign Relations Committee, headed by Richard G. Lugar, Republican of Indiana, begins hearings Thursday with testimony from Secretary of State George P. Shultz.

In the House, however, Democrats were already organizing their opposition, arguing in part that cuts in domestic programs and other budget items made a jump in such aid to the contras unpopular and unwise. The House Speaker, Thomas P. O'Neill Jr., has expressed his strong reservations, as has the chairman of the House Committee on Foreign Affairs, Dante B. Fascell, Democrat of Florida.

But there was no comment on the President's proposal from the chairman of the Intelligence Committee, which will handle the bill. The spokesman of Representative Lee H. Hamilton of Indiana said he did not know the Congressman's position, and committee staff members did not return telephone calls.

Senator Dave Durenberger, Republican of Minnesota and the chairman of the Select Committee on Intelligence, said this evening that he would push to amend the President's request to include a ban on use of any of the money for lethal purposes.

In his White House briefing, the senior official repeated Administration claims of Nicaraguan involvement in efforts against the Governments of both Colombia and El Salvador. He said that cryptographic equipment from Nicaragua had been found in the hands of Salvadoran guerrillas and that rifles from Nicaragua had been used by the Colombian insurgents, the M19 commando group, to attack the Palace of Justice in Bogotá last November. Civilian hostages and Supreme Court justices were killed in the raid.

Mr. Reagan said today that the new aid program was aimed at pressing the Sandinistas into negotiations with the United States, with their internal opposition and with surrounding countries through the Contadora Group, founded in 1983 by Mexico, Colombia, Venezuela and Panama to promote peace in the region.

Under the proposal, 25 percent of the money would be granted immediately, followed by 15 percent every 90 days. At any moment that Nicaragua became responsive, the President said, the grants could be halted or redirected toward humanitarian projects.

Declassified in Part - Sanitized Copy Approved for Release 2011/12/21 : CIA-RDP90-00965R000706110019-0